
H.B. 66 1st Sub. (Buff) - Property Tax Amendments

Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill raises the minimum basic state rate. This increases the local portion of the minimum school program by \$155,000,000 in FY 2011. Because of the basic rate increase, other local property tax will decrease by \$155,000,000. The property tax portion of school funding that is provided by the locals to the state may increase from about 20% to 35% in FY 2020. Due to recapture, revenue to the Uniform School Fund could increase by \$9,800,000.

	<u>2009</u> <u>Approp.</u>	<u>2010</u> <u>Approp.</u>	<u>2011</u> <u>Approp.</u>	<u>2009</u> <u>Revenue</u>	<u>2010</u> <u>Revenue</u>	<u>2011</u> <u>Revenue</u>
Uniform School Fund	\$0	\$0	\$0	\$0	\$0	\$164,800,000
Property Tax	\$0	\$0	\$0	\$0	\$0	(\$155,000,000)
Total	\$0	\$0	\$0	\$0	\$0	\$9,800,000

Individual, Business and/or Local Impact

Enactment of this bill will shift \$32,000,000 between school districts. If a school district that experiences a decrease in revenue decides to go through truth in taxation to make up the lost revenue, there will be an increase in property tax on individuals and businesses. Some school districts will likely experience an increase in revenue. If a school district that receives an increase in revenue decides to decrease other property taxes, there will be a decrease in local property tax on certain individuals and businesses. There will likely be recapture of \$9,800,000 from school districts to the Uniform School Fund.